

§ 902.63

Chief Executive Officer or responsible party.

[65 FR 1738, Jan. 11, 2000, as amended at 65 FR 36045, June 6, 2000; 68 FR 37671, June 24, 2003]

§ 902.63 PHAS scoring.

(a) *Computing the PHAS score.* Each of the four PHAS indicators in this part will be scored individually, and then will be used to determine an overall score for the PHA. Components within each of the four PHAS indicators will be scored individually, and the scores for the components will be used to determine a single score for each of the PHAS indicators.

(b) *Adjustments to the PHAS score.* (1) Adjustments to the score may be made after a PHA's audit report for the year being assessed is transmitted to HUD. If significant differences (as defined in GAAP guidance materials provided to PHAs) are noted between unaudited and audited results, a PHA's PHAS score will be adjusted (*e.g.*, reduction in points) in accordance with the audited results.

(2) A PHA's PHAS score under individual indicators, sub-indicators or components, or its overall PHAS score, may be changed by HUD in accordance with data included in the independent audit report, or obtained through such sources as HUD on-site review, investigations by HUD's Office of Fair Housing and Equal Opportunity, or reinspection by REAC, as applicable.

(c) *Issuance of score by HUD.* An overall PHAS score will be issued by REAC for each PHA after the later of one month after the submission due date for financial data and certifications, or one month after submission by the PHA of its financial data and certifications. The overall PHAS score becomes the PHA's final PHAS score after any adjustments requested by the PHA and determined necessary under the processes provided in §§ 902.25(c), 902.35(a)(3) and/or 902.68; any adjustments requested by the PHA and determined necessary under the appeal process provided in § 902.69; and/or any adjustments determined necessary as a result of the independent public accountant (IPA) audit, as provided in paragraph (b) of this section.

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(d) *Review of audit.* For a PHA whose audit has been found deficient as a result of a quality control review of the IPA workpapers, a quality control review that is conducted by REAC as part of REAC's on-going quality assurance process, REAC may, at its discretion, select the audit firm that will perform the audit of the PHA and may serve as the audit committee for the audit in question. This review is important to determine the accuracy of the scoring under the Financial Condition Indicator.

(e) *Posting and publication of PHAS scores.* Each PHA (or RMC as the case may be) shall post a notice of its final PHAS score and status in appropriate conspicuous and accessible locations in its offices within two weeks of receipt of its final score and status. In addition, HUD will publish every PHA's score and status in the FEDERAL REGISTER and on HUD's internet site.

§ 902.67 Score and designation status.

A PHA will receive a status designation corresponding to its final PHAS score as follows:

(a) *High performer.* (1) A PHA that achieves a score of at least 60 percent of the points available under each of the four PHAS Indicators (addressed in subparts B through E of this part) and achieves an overall PHAS score of 90 percent or greater of the total available points under PHAS shall be designated a high performer.

(2) A PHA shall not be designated a high performer if it scores below the threshold established for any indicator.

(3) High performers will be afforded incentives that include relief from reporting and other requirements, as described in § 902.71.

(b) *Standard performer.* (1) A PHA that is not a high performer shall be designated a standard performer if:

(i) The PHA achieves a total PHAS score of not less than 60 percent of the total available points under PHAS; and

(ii) The PHA does not achieve less than 60 percent of the total points available under one of the following indicators, PHAS Indicators #1, #2, or #3

(2) All standard performers must correct reported deficiencies.

(3) A PHA that achieves a total PHAS score of less than 70 percent, but